



BLACKLAKE CONDITIONAL USE PERMIT AND VESTING TENTATIVE TRACT MAPS

**PROPOSED RESORT WITH VILLAS
AND COTTAGES AND ANCILLARY
VISITOR SERVING USES**

**BLACK LAKE VILLAGE PLAN
CONDITIONAL USE PERMIT AND VESTING TENTATIVE TRACT MAPS
SUPPLEMENTAL PROJECT DESCRIPTION
November 2015**

OVERVIEW

The following application is provided by Blacklake Golf Resort LLC for a Conditional Use Permit to allow the construction of various, additional visitor-serving facilities, including a variety lodging facilities, a new maintenance facility, transient-oriented recreational vehicle parking and a redesign of portions of the existing 27-hole Golf Course to accommodate the aforementioned uses. All proposed uses are allowable uses under the existing Specific Plan. Information provided below discusses the Conditional Use Permit request.

SETTING AND LAND USE BACKGROUND

Black Lake Village is located on 515 acres on the Nipomo Mesa about two miles west of the community of Nipomo. The Black Lake Specific Plan was approved in February 1983 on what was then an existing 18-hole golf course and farm. The approval provided for 515 residential units on 515 acres and modification to the existing 18-hole golf course to become a 27-hole golf resort, encompassing approximately 200 acres. The facilities constructed included ancillary recreational facilities, a clubhouse, restaurant, banquet and bar, tennis courts, swim club, maintenance facilities, pro-shop, public parking areas, and golf cart storage. There are also recreation areas adjacent to Willow Road which allowed a variety of recreational-oriented uses. The 1983 Specific Plan set aside the portion of Black Lake Canyon as permanent open space. Black Lake Canyon includes important habitat for special status species and undisturbed areas of natural vegetation. This area remains protected today.

Since 1983, the plan has undergone subsequent changes but, the most notable occurred in 1998. The 1998 Specific Plan Amendment approved an increase in residential development from 515 units to 559 units, the addition of up to 5,000 square feet of use area for food and beverage retail sales to allow for a small neighborhood market. Also established was the Village Reserve Line around the Specific Plan property to allow the residential density to be under one (1) unit per acre.

The 1998 Specific Plan Amendment also added definitions to Appendix A: Land Use Definitions, which "contains definitions of the land uses that can be established under this specific plan and the Land Use Element." (Appendix A, p. 1.) The Amendment added Mobile Home Parks and the following uses, in addition to other modifications:

Food and Beverage Retail Sales:

Retail trade establishments primarily engaged in selling food for home preparation and consumption, as well as the retail sale of packaged alcoholic beverages for consumption off the premises, including wine tasting facilities which are not on the same site as the winery...

Hotels and Motels:

Commercial transient lodging establishments including hotels, motor hotels, tourist courts or cabins, primarily engaged in providing overnight or otherwise temporary lodging, with or without means for the general public. Includes the preceding lodging establishments where developed as planned developments or condominiums in accordance with Section 22.08/264 of the Land Use Ordinance. Also includes accessory guest facilities such as swimming pools, tennis courts, indoor athletic facilities, and accessory meeting and conference facilities, etc. (SIC: Group 701 [Amended 1995, Ord. 2740])

THE BLACK LAKE SPECIFIC PLAN ANTICIPATES NEW DEVELOPMENT AND CHANGES TO THE GOLF COURSE CONSISTENT WITH THE PROPOSED CUP

The Black Lake Specific Plan recognized the need to consider additional uses in response to changed circumstances. The Specific Plan provides: **“Other land uses will be developed within certain phases or after completion of all the residential components depending upon the needs of new residents and other users.”** (P. I-18.) The Specific Plan description of the Golf Course recognizes “its approved relocation.” (p. V-8.) The Specific Plan, consistent with the 1985 CC&R procedures, provided: **“The open space easement shall not affect the use, operation or modification of the Golf Course.”** (p. V-8; emphasis added.) A prospective easement could be considered during the County approval process based upon a rational nexus.

The Final Subdivision Public Reports for Black Lake issued by the (then-named) California Department of Real Estate, commencing with the first such Public Report for Crowne Pointe (Phase 1), issued September 26, 1985, in DRE File No. 057942LA, informed prospective purchases of residential units of the possibility of future changes to the Golf Course and project uses: *“The Subdivider advises that it (or others) may attempt to seek permission to increase the number of residential units which may be constructed within the Plan Area and/or seek permission to construct improvements other than residential improvements and related improvements within the Plan Area.”* (Jackson Memorandum, attached, p.2, note 1.)

BLACKLAKE GOLF RESORT HISTORY

The Blacklake Golf Resort (“Blacklake” or the “Resort”) was created in 1984, reconfigured from an existing 1960’s 18-hole public golf course. The design was a recreational/residential resort community, which, at the time, included the Tourney Hill condominiums, which were used as visitor accommodations. These facilities accommodated large parties of visitors and tourists, necessary for a destination resort, including golf outings and event activities. The Tourney Hills units, then privately owned by the previous owner of the Golf Course,

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effectively operated as golf resort bungalows, providing both short and long-term accommodations for the Resort customers, with approximately 150 bedrooms.

At the peak, Blacklake experienced over 115,000 rounds of golf per year, as well as hosting numerous banquets and events for guest and resident activities alike. The golf resort, when combined with the visitor-serving facilities and overnight accommodations, made Blacklake one of American Golf's premier and most successful properties country wide.

In the late 1990's, the then Golf Course ownership began to sell the Tourney Hill's two and three-bedroom condominiums to individual residents and now, most are utilized as full-time residences. Only a few units remain "visitor-serving rentals;" therefore, Blacklake's ability to continue to host large golf outings and tournaments has been severely diminished. Further, those visitors, who still visit annually, often find accommodations in Santa Maria or the beach communities, due to the lack of accommodations in Nipomo.

The loss of overnight accommodations, combined with the construction of two (2) new golf courses on the Nipomo Mesa, resulted in over capacity of golf in the local market and reduced visitor accommodations, resulting in adverse economic impacts to all. Further complicating the situation is that golf nationwide is experiencing diminished activity to the point where the economic viability of many public golf courses as stand-alone uses are threatened.

Recognizing these factors in 2004, Blacklake's ownership met with representatives of the Blacklake community, known as the Liaison Committee, and over a period of more than a year, developed an agreement between Blacklake Golf Resort LLC, et al, and Black Lake Management Association that would facilitate moving forward with a project that added development to the Resort and had the community's support. Proposed modifications to the Golf Course included a variety of areas. In 2006, Blacklake Golf Resort LLC, et al, and Black Lake Management Association entered into a Settlement Agreement and Mutual Release. The Settlement Agreement and Mutual Release was executed in 2006 and the Conditional Use Permit application relies upon the development components outlined in the agreement.

Scope of New Development Outlined in Settlement Agreement and Mutual Release

New Development (Plan, Scope, General Plan)

1. Lodge with sixty (60) "guest suites," including expanded restaurant / banquet / conference facilities and amphitheater at or near the location of current Clubhouse. Building over some of the existing parking areas may be involved.
2. New maintenance facilities relocated near the irrigation pond. Also some facilities at the north end of the driving range, which may include a golf school and one (1) residence.
3. Sixty (60) Resort "bungalows" in and around the site of the existing maintenance facilities including thru portions of the course between Willow and the current Clubhouse. These units are to be "subdivided" and made available "for sale" or lease as resort homes and/or interval ownerships. This area would include a small café and other similar visitor serving commercial facilities.
4. Five (5) or more single family homes on sites, yet to be designated around the courses, for workforce housing with an ownership entity sharing with the employee.
5. Transient (i.e., stays restricted to 30 days or less) recreational vehicle park consisting of 40 spaces with electrical hook-ups (generator use will not be allowed).
6. Re-design of portions of the Golf Course to accommodate aforementioned developments, including re-design of water features and irrigation system.

The Settlement Agreement and Mutual Release also included a Privileges Agreement for residents and provisions for visitors. The Privileges Agreement provided certain rights to the residents of Black Lake Village, including advance tee time reservations, blocked times in which tee times are available only to the homeowners (no general public except under certain exceptions), allowance for use of private golf carts, and additional play times free of charge of Green Fee Pass holders.

Between the time of that agreement and the last nine (9) years, the applicant has discussed the Settlement Agreement (Option A) components with the Black Lake community and responded by developing a different alternative (Option B). The new plan (Option B) is similar in size, placement and nature of the facilities agreed to in 2006 but have been "refined" to address resident preference concerning locations. If the Black Lake

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Management Association and its appointed Architectural Review Committee do not agree with Option B, then the original Option A plan per the Settlement Agreement would be implemented consistent with the obligations of the Settlement Agreement.

THE PROCESS FOR CHANGING THE CONFIGURATION OF THE GOLF COURSE FOR ALLOWED USES

In order to address the confusion about the relationship between the New Development requested in this CUP application and the existing 1985 CC&R's, the applicant requested a detailed analysis of whether any CC&R amendment is required to accommodate the proposed New Development uses and re-design of the Golf Course, including removal of portions of the Golf Course property for these uses, done by F. Scott Jackson, Jackson/DeMarco/Tidus/Peckenpaugh, A Law Corporation (see Jackson Memorandum, September 23, 2015, attached.).

Mr. Jackson has been recognized by the Court of Appeal as a "leading commentator" in this field, participated in the creation of over 2,500 residential, mixed-use and commercial owners associations, with publications too numerous to list here (CV attached). Mr. Jackson's analysis concludes that the provisions of the 1985 CC&R's (1) expressly provide a mechanism for changes to the uses of the Golf Course property by approval from the County, which is through the CUP process, and the BLMA Architectural Review Committee, which is obligated by the Settlement Agreement provisions; and (2) allows the uses of portions of the Golf Course property as provided in the New Development proposal.

(1) No CC&R Amendment is Required for the CUP to be Approved

"A careful reading of the subject CC&R Declaration reveals a unique structure that preserved the ability of the Master Association's Board of Directors ("Board"), through its appointed Architectural Committee, to approve certain types of changes to the Golf Course portion of the initial Covered Property. Based on these reserved rights, authority currently exists for approval of certain changes to the use and description of the Golf Course, and such qualifying changes do not require an amendment to the CC&R Declaration." (Jackson Memorandum, p. 1.)

(2) The Proposed Uses Do Not Require an Amendment to the CC&R for the CUP to be Approved

"The Non-Residential Parcel Development Area is further defined to include the Golf Course, which *"...may be operated as a commercial venture and may include... any and all related commercial activities such as, but not limited to, ... further recreational facilities, a pro shop, rental of golf equipment, ... golf lessons, ... Recreational Vehicle Parking/Storage ... and for any other activities related thereto or otherwise which the Architectural Committee may permit..."* as set forth in Article I, Section 28 and Article II, Section 2 (pages 1-9, 11-1 and 11-2, respectively) of the CC&R Declaration. This description of the uses of the Non-Residential Parcel, as permitting a variety of other commercial uses related to golf or otherwise permitted by the Architectural Committee, is consistent with the

reference to changing the description of the Golf Course, described in **Exhibit A-1** of the CC&R Declaration.” (Jackson Memorandum, pp. 2-3.)

- (3) The Black Lake Management Association Architectural Review Committee is Obligated by Written Agreement to Approve New Development which is Consistent with the CUP Application.

The current owners of the Golf Course, Blacklake Golf Resort LLC, acquired the property from National Golf Properties, Inc. and National Golf Operating Partnership, LLP, (“National Golf”) in 2001. A dispute arose regarding a privileges agreement between National Golf and the Black Lake Management Association, representing the homeowners and sub-associations established under the CC&R’s, including litigation in the Superior Court of San Luis Obispo County. Realizing that economic situation for Blacklake was becoming dire in 2004, Blacklake’s ownership met with representatives of the Blacklake community, known as the liaison committee, and over a period of more than a year, developed an agreement that would facilitate moving forward with a project that added development to the Resort and had community’s support. A Settlement Agreement was entered into by the parties in December 2006, in which the BLMA agreed to support “New Development” which is in substantial compliance with Option A of this proposed amendment, and the owners in the community could enjoy a “privileges agreement” for their use of the Golf Course. The New Development which was agreed upon “is intended to rejuvenate the Golf Resort Property, which development may include but shall not be limited to the following: (1) short-term and long-term condominium/hotel rental units; (2) owner occupied units; (3) transient (i.e., limited to stays of 30 days or less) recreational vehicle area; and (4) reconfiguration of existing Golf Course, including possible elimination, addition and modification of holes, along with other improvements intended to increase Resort business and the Golf Resort Property’s economic value”. (P.2, Recital K.) The Superior Court retained jurisdiction to resolve any disputes or to enforce the terms of the Settlement Agreement. Proposed modifications to the Golf Course included a variety of areas.

The Settlement Agreement and Mutual Release¹ with the Master Association is consistent with the CC&R procedures for removing portions of the Golf Course for other uses. The Association **“agrees to support ROSSI’s New Development plans and land use applications to the County of San Luis Obispo Planning Department regarding the same, which plans shall be in substantial conformity (+/- 10%) with the Development Scope and general location of new Development as depicted in Exhibit ‘D’ attached hereto and which is incorporated by reference herein as though fully set forth.”** (Para 5, a, i, pp. 4-5.) Consistent with the CC&R procedures, **those plans are to be submitted to the Architectural Committee for “its review and comment.”** (Para 5 a, ii, p. 5.)

The parties to the Settlement Agreement represented to each other: **“The individuals and entities executing this Agreement hereby warrant and represent that they have the authority to enter into this Agreement**

¹ The Settlement Agreement and Mutual Release (Settlement Agreement), executed December 9, 2006, by the President, Vice-President, and Secretary of the Black Lake Management Association in San Luis Obispo County Superior Court Case No. CV040889, “Black Lake Golf Resort LLC[et al.] v. National Golf Operating Partnership, [etc. et al] and Black Lake Management Association. A copy of that Agreement is included with this application.

and to perform all acts required for their performance.” The Board of the Master Association appoints the three members of the Architectural Committee which is obligated to support and approve the New Development plans, including the proposed uses and removal of areas from Golf Course uses to facilitate the new development.

PROJECT OBJECTIVES; VILLAGE RECREATION

The applicant’s overall objective is to “return” Blacklake to the unique position of a destination resort it once was. Further, to significantly reduce irrigation water usage while preserving the majority of the 27-hole facility. This necessitates limited changes to the existing course design. The plan is to re-route and retain the original 18-hole Canyons course with some modifications, repositioning it as a “resort course.” The proposed changes actually increase its yardage to as much as 7,200 yards, making it truly a “championship” course.

The existing Oaks 9-hole course will be modified to become a shorter “sport course” and possibly include a golf school. In each instance, all turf areas that currently abut existing residential neighborhoods will be retained and maintained.

The proposed new development will be in the form of a Lodge with suites, including a “condo hotel” component. Numerous visitor-serving facilities are included, typical of a destination property. Additional visitor serving accommodations will also include individual villas and cottages, providing for a variety of occupancy arrangements, similar to Tourney Hills.

The adopted Specific Plan provides for these hospitality, overnight accommodation and recreational uses. The proposed Lodge will become the centerpiece of the Blacklake community, intending to provide a broad range of services for both residents and tourists alike, including specialty retail.

As previously stated, the economic viability of Blacklake as a “free standing” course is in jeopardy without these additions. In order to restore and compete, Blacklake Golf Resort LLC is proposing to invest and transform Blacklake Golf Resort back into the “destination” it once was. That requires lodging and overnight accommodations. The “Resort” has long been a community gathering place and these improvements will allow it to better serve the daily needs of Blacklake residents, surrounding neighborhoods and visitors alike.

The primary intent is to re-create the hospitality business similar to what it was in the 1990’s. The Golf Course will be a significant recreational feature of the Resort and becomes a component of the “destination” resort and no longer a “free standing” business.

After careful consideration of various options for the property, ownership has determined that the market exists to re-create the visitor-serving/overnight accommodations, which were once the vital aspect of Blacklake’s economic vitality.

The proposed application has five (5) primary interrelated components:

- (1) The Lodge at Blacklake with 84 new visitor-serving accommodations in the form of an all-suites condo hotel targeted toward short term stays (1-7 nights);

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- (2) Visitor-serving “cottages” and “villas,” totaling 66 additional accommodations. These are detached units positioned along portions of existing fairways, separated by fairways from existing neighborhoods. These are intended to be individual owned but rented for transient use as vacation rentals (similar to Tourney Hills) and managed by the Lodge, accommodating longer term stays (7 nights – 90 nights);
- (3) Willow Ridge, a boutique hotel with 20 new visitor-serving accommodations in the form of cottages and/or recreational vehicle spaces is planned around the former Clubhouse. This area is accessed off Willow Road via the existing access; and
- (4) Retention and expansion of restaurant, banquet facilities, conference facilities, amphitheater and other recreational uses to better serve residents and visitors.
- (5) Augment existing Golf Course facilities to include additional clubhouses and other recreational facilities in appropriate locations

Other recreation facilities may include, but are not limited to, a new pool, sports courts (tennis, bocce or similar), all components necessary and complimentary for a destination resort. The reconfiguration of the existing Golf Course will be required to accommodate the new visitor-serving uses.

REQUIRED APPROVALS

- I. Phased Conditional Use Permit
 - a. Lodging – Hotels, Motels – Condominium and Planned Development LUO Section 22.30.290
 - b. Additional Golf Resort Facilities LUO Section 22.30.340
- II. Two (2) Vesting Tentative Tract Maps
 - a. Tract 3092: 33 Lot Phased Tract Map
 - b. Tract 30XX: 23 Lot Tract Map
- III. Process for Entitlements
 - a. Planning Commission Hearing for Vesting Tentative Tract Maps and Phased Conditional Use Permit
 - b. BLMA Architectural Review Committee and County approval for the boundaries of property which are eliminated from the Golf Course for other uses under the 1985 CC&R procedures (per Jackson Memorandum).

CONSISTENCY WITH SPECIFIC PLAN

'Hotels and Motels' are listed as an Allowable Use in the Specific Plan. The Specific Plan recognized that additional uses would be developed after completion of the residential development 'depending on the needs of new residents and other users' land uses included the application benefit the existing residents and the recreational visitor and are necessary for the economic well-being of the existing commercial operations. A Conditional Use Permit is the appropriate level of permit for the Hotel and Motel land use.

CONDITIONAL USE PERMIT REQUEST DETAILS

Knowing the sensitivity shared by all regarding water, these plans have been conceived to produce a substantial and verifiable positive "water savings" approach (see attached water calculations). The designs and plans are consistent with and compatible with Blacklake neighborhood/community standards. "Intent to Serve" letters for water and sewer have been issued by the Nipomo Community Services District ("NCSD"), based upon the following general assumptions of project scope provided to the NCSD:

Conceptual Project Components:

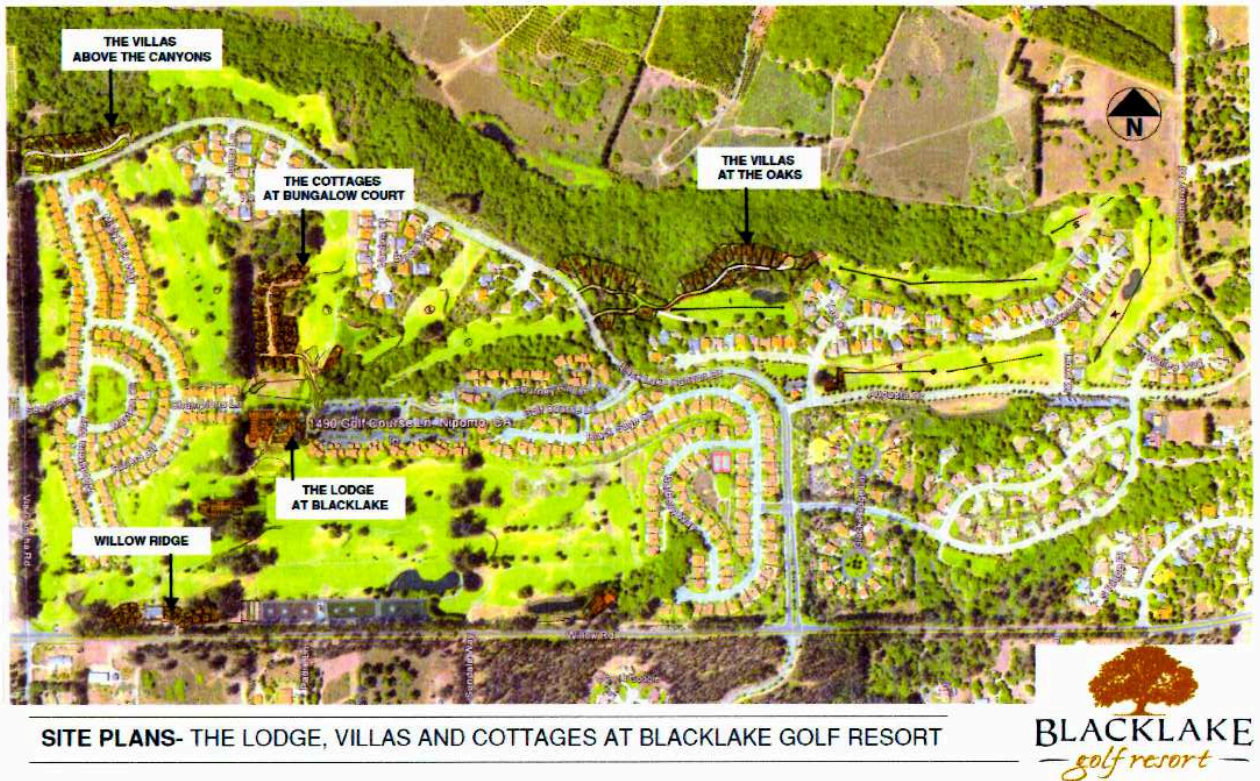
- The Lodge, including 84 new visitor-serving accommodation facilities in the form of a hotel suites/resort targeted towards short term stays (1-7 nights).
- 66 new visitor-serving accommodation facilities in the form of detached Villa (36) or Cottage (30) units that would be interval ownership condo hotel and/or leased as vacation rentals providing for longer term stays (7 nights – 90 nights).
- 20 new visitor-serving accommodation facilities in the form of a boutique hotel with detached cottages and/or recreational vehicles. If RV stays in the recreational vehicle area restricted to 30 days or less.
- Re-creation of the existing restaurant(s), banquet facilities, conference facilities, amphitheater, chapel and other ancillary uses, including limited retail uses to better serve the residents, visitors, and the community at large.
- An independent golf school and facilities.
- Other recreation uses, including but not limited to, pool, sports courts (tennis, bocce, etc.).
- New maintenance facilities and the reconfiguration of the existing Golf Course to accommodate to the new visitor serving uses.
- Optional – Electric recreational cart facilities.
- Relocate existing Maintenance Facilities.
- Upgrades to Golf Course irrigation & water conservation implementation.

Development Locations: All projects are proposed within existing, developed areas of the Resort property:

- The Lodge & Village Center is proposed to be located in the vicinity of the existing Clubhouse. The Resort components will include re-creation of the existing restaurants, lounge, meeting and banquet facilities and attached overnight accommodations in the form of flats, two story townhomes, and

single story suites. Also included will be accessory retail and services square footage to serve neighbors and visitors alike.

- The Willow Ridge Boutique Hotel will be located off Willow Road at the location of the current Maintenance (former Clubhouse). This area will be restored to include visitor accommodations and recreation facilities.
- The Golf Villa & Cottages are sited in three (3) locations overlooking the existing Golf Course. The 30 cottage units are adjacent to the Lodge within portions of the driving range. The practice range is refocused in the same. The second area is Hole No. 5, which is eliminated via course re-design/re-routing scattered in small pockets throughout the project site. The third area is Hole No. 8 of the Oaks Course. All units are proposed to be located on what are currently existing, irrigated turf areas, thus significantly reducing irrigated turf.
- Trails and pedestrian paths apart from and including golf paths will connect the existing and proposed communities to the Village Center.



The Lodge at Blacklake: 84 Resort Units

The Lodge is planned to be located where the current Restaurant, Pro Shop, Banquet and Cart Barn facilities are located. The site is approximately 6 acres in size (including the parking area) and is currently fully

improved with buildings and hard surfaces. Substantial parking (260 spaces) exists and on-street parking is available along Golf Course Lane for periods of overflow. In the past, the Resort has handled up to 120,000 golfers annually plus banquets, weddings and dining guests.

The Lodge is comprised of two (2) components in a 2.5 acre building envelope that will be built sequentially. The Resort itself, with its various components, including restaurant, conference/event space, and various retail/neighborhood serving uses and in addition to the daily visitor and neighborhood serving uses there are a total of 84 resort rooms in the form of 28 one story, one or two bedroom 'flats,' 40 two story, two bedroom 'townhomes' and 16 luxury one bedroom and two bedroom suites. The Lodge is located on a single parcel (lot 31 of VTTM 3092); however a future condominium plan and map may be submitted at a later date to allow individual ownership of the townhome units.

The first floor consists of the pro-shop, numerous retail spaces, conference rooms, a kitchen, a casual café, back of house operations, and event areas. The second floor consists of the lobby, courtyards, formal dining room and kitchen, indoor/outdoor terraces, administration area, a 'flex space' that can be used for a variety of uses including conferences, chapel, private events, and 28 one story 'flats.' The third and fourth floors consists of the 40 two story 'townhomes' and various courtyards and gathering areas. The fifth floor includes 16 luxury suites.

The Lodge complex is located in the place of the existing golf Cart Barn facilities. Sequential construction allows for continued operation of the Golf Resort during construction, providing for ongoing business operations to serve our customers and community.

The creation of the Lodge should result in similar traffic as realized when Blacklake was at its peak. The parking area will be reconstructed and all proper improvements will be made to meet today's storm water requirements. The design will include installation of pavers, lawn and asphalt. Existing drainage measures will remain, directing runoff to adjoining drainage swales through existing culverts and catch basins existing throughout the community of Blacklake. These basins provide for capture and recharge.

The impervious surface proposed with the new Lodge development is nearly identical to what currently exists so it will not result in any additional runoff. In fact, additional features will be installed to enable beneficial re-use of domestic water and rain water capture which can be used to supplement the irrigation water supply.





The Cottages at Bungalow Court: 30 Cottages

The Cottages at Bungalow Court are proposed as a Condo/Hotel configuration comprised of two (2) types of accommodations. Cottage A is one bedroom one bath unit totaling 1,250 sq.ft. These are smaller accommodations, generally focused on couples and small families for short-term stays and want something different than hotel suite accommodations. The distance from the furthest unit to the Lodge and Clubhouse is less than half the distance within Tourney Hills' farthest home, keeping the visitors compact for both access and enjoyment of the Lodge. Cottage B designed to accommodate larger families and golf outings. These are similar in size, scale and features to the units within Tourney Hills. They are also within similar proximity to the Lodge/Clubhouse. These are two bedroom, two bath units, approximately 1,800 sq.ft. in size. There are 18 Cottage A units located on a two lots, and 12 Cottage B units located on 12 separate lots located within a +/-4.5 acre building envelope. The Cottage B units will be individually owned but will be used as vacation rentals and managed by the Resort. A future condominium plan and map may be submitted at a later date for the Cottage A units located on lot 28 and lot 29 of VTTM 3092.

Willow Ridge – A Boutique Hotel: 20 Cottages

The former Clubhouse, which is still intact, contains approximately 5,000 sq.ft. of existing building area and is currently used as part of the maintenance operations for the Golf Course. This area is served by an existing driveway located on Willow Road. The current proposal will relocate the existing maintenance operations into a new facility near the wastewater treatment facility and the Clubhouse will be re-established as the centerpiece for a boutique cottage inn, comprised of 20 Cottage units (Unit A) with a +/-2.7 acre envelope situated on the natural terrain of the hill overlooking the Golf Course. Willow Ridge will include amenities such as outdoor common areas, a swimming pool, and a small specialty restaurant. All development is within the already disturbed and improved area of the former Clubhouse and existing maintenance and parking area. This would be a free-standing a boutique hotel operated separate from the Lodge.



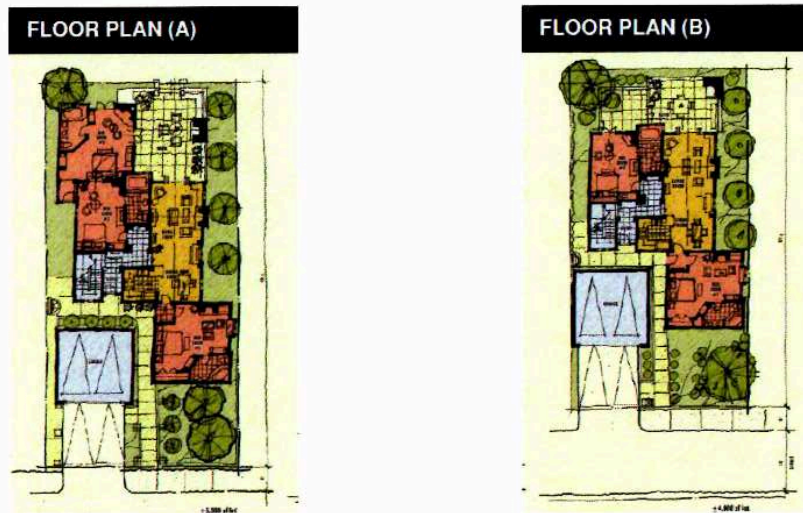
The Villas above the Canyons at Blacklake: 14 Villas

The Canyons is comprised of 14 separate Villas that will be used as vacation rentals and guest accommodations for the Resort's longer stays. There are two floor plans for the Villas provided. Villa A is a three bedroom, three bath unit totaling approximately 2,200 sq.ft. Villa B is a two bedroom, two bath unit totaling approximately 1,600 sq.ft. The Canyons include 13 Villa A units and 1 Villa B unit. The Villas will be on subdivided lots and available for individual ownership. Individual ownership will require that they be put into a rental pool and the owner's personal use will be limited to less than 90 days per year. The design of the Villa Village is all within the currently irrigated portion of what is currently Hole No. 5 of the Canyons course. This natural landform in this area has previously been significantly altered to form the golf holes. Site grading will be minimal and infrastructure improvements include a new 24 foot wide, private road with access from Blacklake Canyon Drive. Maintenance responsibilities of the new road will be absorbed by the 14 property owners. Utilities currently exist in Black Lake Canyon Road and will be extended for water, sewer and the dry utilities. All development is within the boundary of existing property and no trees are proposed to be removed. The development envelope for the 14 Villas above the Canyons is +/- 3 acres in size.

The Villas at the Oaks: 22 Villas

This area is comprised of 22 Villa units as described above, 15 Villa A units and 7 Villa B units. They are in two distinct areas and are located on separate lots on what is generally Hole No. 8. As a result of this change, the Oaks will be maintained as a golf area but reduced to a 6-hole executive configuration.

An important feature is that all of the existing homes that currently front on golf continue to do so. These 6 holes may involve a golf academy or school, with or independent of Blacklake Golf Resort. A new separate Clubhouse and teaching facility is intended to be created to support the executive course.



Other Facilities on the Main Golf Course Property

Re-Location of Maintenance Facility

- 5,000 sq.ft. building and storage yard located adjacent to Willow Road.

Chapel

- 2,500 sq.ft. building to be used for worship, weddings, and other assembly activities. The chapel is located north of the Lodge adjacent to an existing irrigation pond. This area has historically been used for events on the Golf Course.

Tournament House and Restaurant

- New 8,500 sq.ft. free-standing building located between the Lodge and Willow Ridge. Access to this building will be by golf cart pathways. This facility will be used as the central gathering and operations facility for the larger tournaments that are expected to come back to Blacklake Golf Resort.

Executive Course Clubhouse

- New 1,800 sq.ft. building located on the Oaks course intended to serve the 6-Hole Executive Course



Vesting Tentative Tract Maps:

The application includes two (2) Vesting Tentative Tract Maps.

Vesting Tentative Tract 3092 is a subdivision of two existing legal parcels into 33 parcels. Tract 3092 includes the Villas above the Canyons, the Cottages at Bungalow Court, The Lodge, and Willow Ridge. Parcel sizes are provided on the Title Sheet of the Tract Map.

Vesting Tentative Tract 30XX is a subdivision of one existing legal parcel into 23 parcels and includes the Villas at the Oaks and a portion of Hole No. 8. Proposed lot sizes are included on the Title Sheets of the Tract Map.

THE VILLAS ABOVE THE CANYONS OF BLACKLAKE					
LOT #	AREA (sf)	LOT #	AREA (sf)	LOT #	AREA (sf)
1	10,450	6	8,044	11	9,622
2	6,990	7	8,774	12	7,211
3	8,642	8	8,577	13	9,392
4	8,753	9	5,478	14	7,394
5	8,269	10	13,303	15	8,702

THE COTTAGES AT BUNGALOW COURT					
LOT #	AREA (sf)	LOT #	AREA (sf)	LOT #	AREA (sf)
1	4,621	6	5,800	11	5,245
2	5,535	7	5,763	12	15,956
3	6,214	8	5,011	13	29,011
4	5,151	9	4,868	14	82,841
5	6,005	10	3,998		

THE LODGE	
LOT #	AREA (sf)
1	110,548

WILLOW RIDGE - A BOUTIQUE HOTEL	
LOT #	AREA (sf)
1	118,677

THE VILLAS AT THE OAKS					
LOT #	AREA (sf)	LOT #	AREA (sf)	LOT #	AREA (sf)
1	6,350	9	9,259	17	6,404
2	6,536	10	10,978	18	6,519
3	7,904	11	9,261	19	8,071
4	8,750	12	7,788	20	6,297
5	9,058	13	6,711	21	8,823
6	10,463	14	7,928	22	9,435
7	8,744	15	6,829	23	1,340,330
8	9,200	16	6,410		

Grading:

In general, project grading is minimal by design. Grading for the two (2) bungalow areas will be balanced on-site and require only leveling of the current golf features created as part of the Golf Course. All areas are highly altered as is.

The other added beneficial dimension is that the current, fully irrigated areas (the driving range, Hole No. 5 and the Oaks Hole No. 8) reduce the amount of existing irrigated turf by over 15 acres, thereby having the significant water savings compared to the current demand utilized by the Golf Course. Development results in additional hard surface for which the run off will be properly collected and treated, then directed into the existing storm water drainage system, which is already networked throughout the Blacklake community, including existing storm water detention basins, which are adequate to handle the additional capacity and provide for percolation. Earthwork Quantities are provided on the Title Sheets of the Tract Maps.

VTTM 3092:

Villas above the Canyons, Willow Ridge, the Cottages at Bungalow Court, the Lodge at Blacklake
EARTHWORK QUANTITIES:

PROJECT ESTIMATED EARTHWORK QUANTITIES				
AREA	GROSS AREA (ACRES)	ESTIMATED CUT (CY)	ESTIMATED FILL (CY)	IMPORT/EXPORT (CY)
1	2.97	4,800	800	4,000 EXPORT
2	4.52	3,600	9,800	6,200 IMPORT
3	2.72	2,800	3,000	200 IMPORT
4	2.54	5,700	3,300	2,400 EXPORT
TOTAL	17.52	16,900	16,900	0 IMPORT/EXPORT

VTTM 30XX:

Villas at the Oaks

EARTHWORK QUANTITIES:

PROJECT ESTIMATED EARTHWORK QUANTITIES				
AREA	GROSS AREA (ACRES)	ESTIMATED CUT (CY)	ESTIMATED FILL (CY)	IMPORT/EXPORT (CY)
1	2.97	4,800	800	4,000 EXPORT
2	4.52	3,600	9,800	6,200 IMPORT
3	2.72	2,800	3,000	200 IMPORT
4	2.54	5,700	3,300	2,400 EXPORT
TOTAL	17.52	16,900	16,900	0 IMPORT/EXPORT

Architecture and Design:

Architecture and design concepts remain consistent with the same Mediterranean designs that were part of the basis of the initial agreement with the HOA but, with the significant difference, the Villas and Cottages have been relocated into other areas intended to accomplish three (3) primary goals.

- One, to maintain a championship 18-hole course and recreate a fun, 6-hole arrangement on the Oaks, thereby preserving the character and ability to have flexible golf arrangements for the golf Resort and residents alike.
- Two, all existing fairways adjacent to all existing homes are maintained and not converted to other uses. Should golf ultimately fade, a mutually agreeable easement arrangement would be worked out with the intent of preserving these areas long-term as active recreational open areas.
- And lastly, the proposed development displaces existing irrigated turf, thus saving significant waters for the Resort and the community at large, by lessening the water demand on the current basin. At the same time, the proposal imports the water into the project.

So that these are the same units from the standpoint of Hotel and Condo/Hotel components, as well as the golf Bungalows and the only new addition are the small Cottages, which were contemplated in different locations in the original design (i.e., along the parking area) but, they too have been relocated into the various five primary development envelopes.

Water Use:

The projects actually result in a significant reduction of existing irrigated turf and thus ground water use. The effect will be both increased groundwater recharge and imported new water to serve the proposed development. Supplemental Water will be purchased to serve the demands of all new development. The NCSD conditionally approved Intent-to-Serve requests at their October 22, 2014, meeting. Copies of the letters are included in this Authorization Request Package.

Existing water sources utilized by the Golf Resort include the following:

- Approximately 400-500 AF/YR of ground water is used for irrigation. This water is provided from several, private, on-site wells.
- Additionally, approximately 50 AF/YR of treated (recycled) water is received from the NCSD/Blacklake wastewater plant, it is blended and applied to portions of the Golf Course for supplemental irrigation water.
- In addition, approximately 8.5 AF/YR of "domestic water" is currently provided by NCSD to Blacklake Golf Resort for its existing facilities.

Based on the current "conceptual plan," a total "water savings" of approximately 120 AF/YR may be achieved by development of the projects. The water savings will be accomplished through several means, as follows:

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Reduction in Existing Groundwater Use: 70 AF/YR:

- The project includes modifications to the existing Golf Course, including various improvements to the existing irrigation system, water storage facilities and a reduction of irrigated turf. The irrigation improvements and removal of existing irrigated turf areas will result in a water savings estimated by the project engineer of 70 AF/YR.

Increase in Groundwater Recharge: 17.6 AF/YR:

- Based on the current conceptual plan, the new uses will require the purchase of approximately 22 AF/YR now from the NCSD. This "new" imported water source will result in an additional 17.6 AFY treated effluent which in turn becomes added "gray water" for Resort irrigation.

Infrastructure:

The infrastructure necessary to serve the project is existing (including road capacity and utilities) and only minor extensions to the existing infrastructure is required to accommodate the project. The proposed development areas are located in areas that are currently hardscaped and improved with services, such as the main Clubhouse, Cart Barns, the former Clubhouse/Maintenance off Willow, and the parking areas; or the development areas are located on turfed portions of the Golf Courses situated adjacent to existing roads and utilities. The strategic plan is to realign the golf facilities, which also provides enhanced water conservation, by reducing irrigated turfs and converting some of the outer edges of the course to lower water use landscape. Other areas of development are proposed within what are currently turf portions of the Golf Course, including the northern part of the driving range, Hole No. 5 on portions of the Canyons course and Hole No. 7 on the Oaks course. These areas, which were already highly modified, including substantial grading to create the Golf Course, will be re-contoured to accommodate the proposed development areas all within the existing turfed areas with only minimal amount of grading.

Further, all of the proposed areas for development are separated from existing residential areas by at least the distance of an intervening fairway and/or other natural landscaped areas. The project has been designed to avoid removal of trees, minimize grading, balance grades on site and reduce impacts to the surrounding neighbors.

As-Built Utility Plans prepared by Wallace and Associates are included in the submittal. The plans identify the location of the existing utilities and easements.